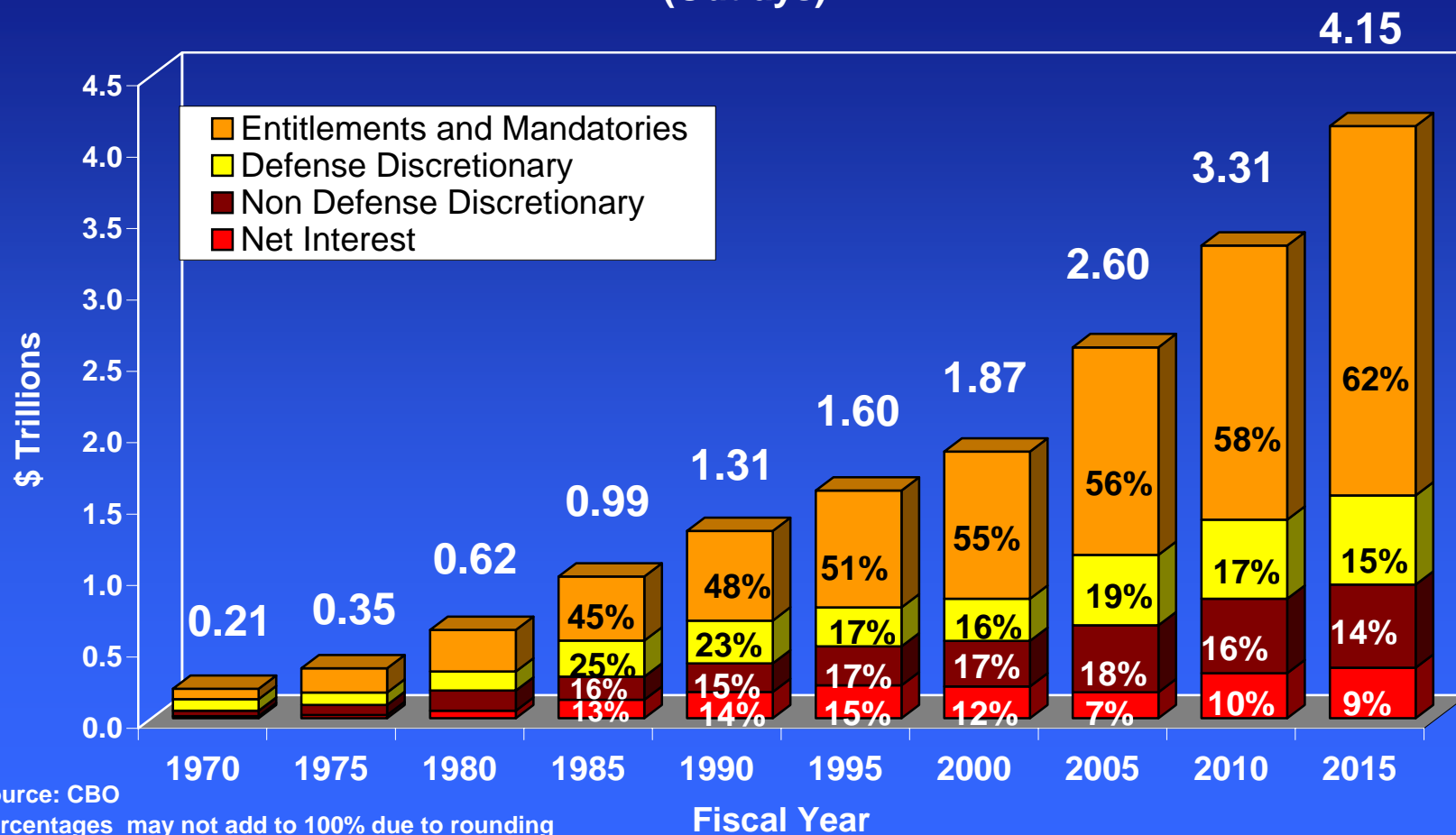


MAJOR COMPONENTS OF THE BUDGET (Outlays)

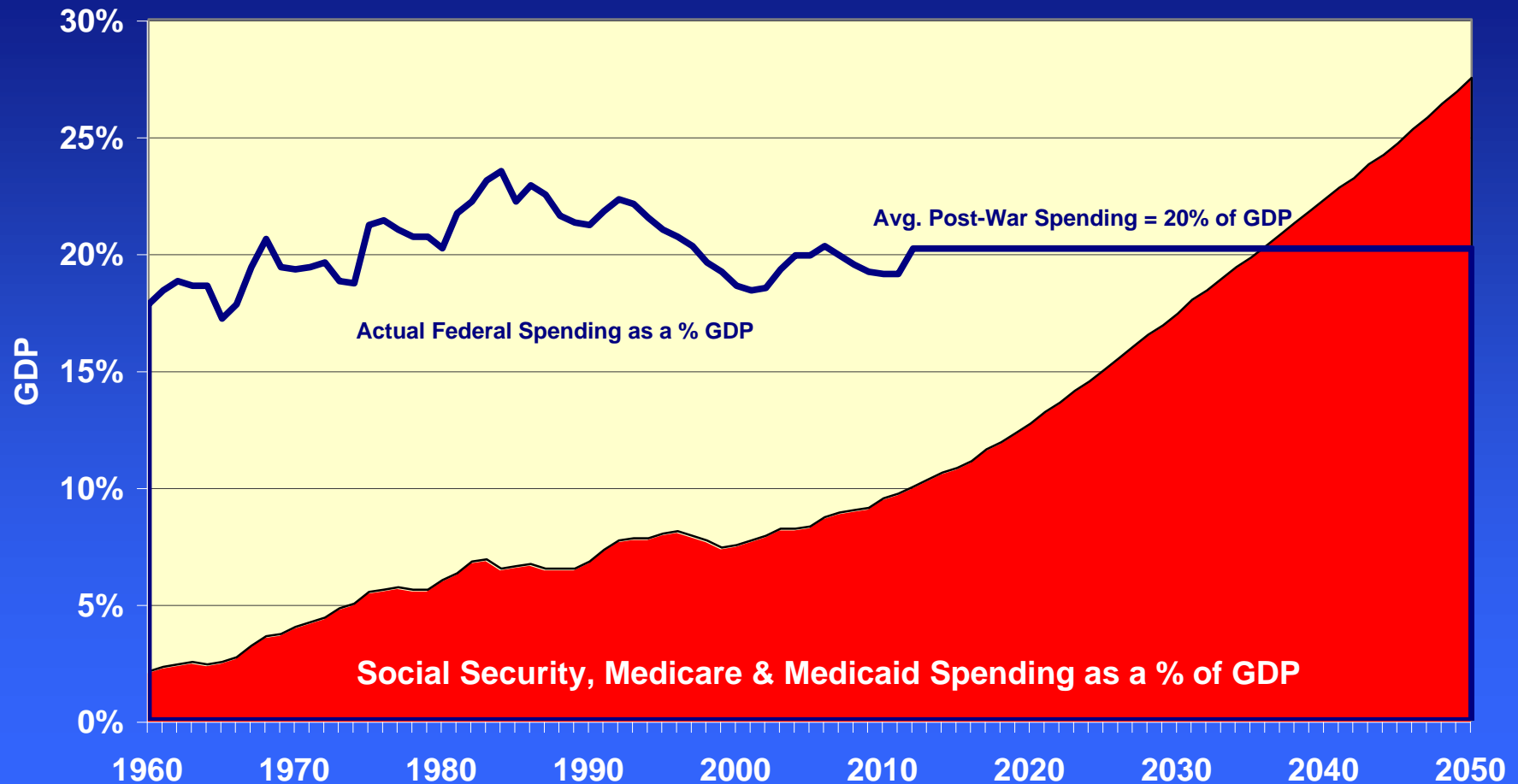


Source: CBO

Percentages may not add to 100% due to rounding

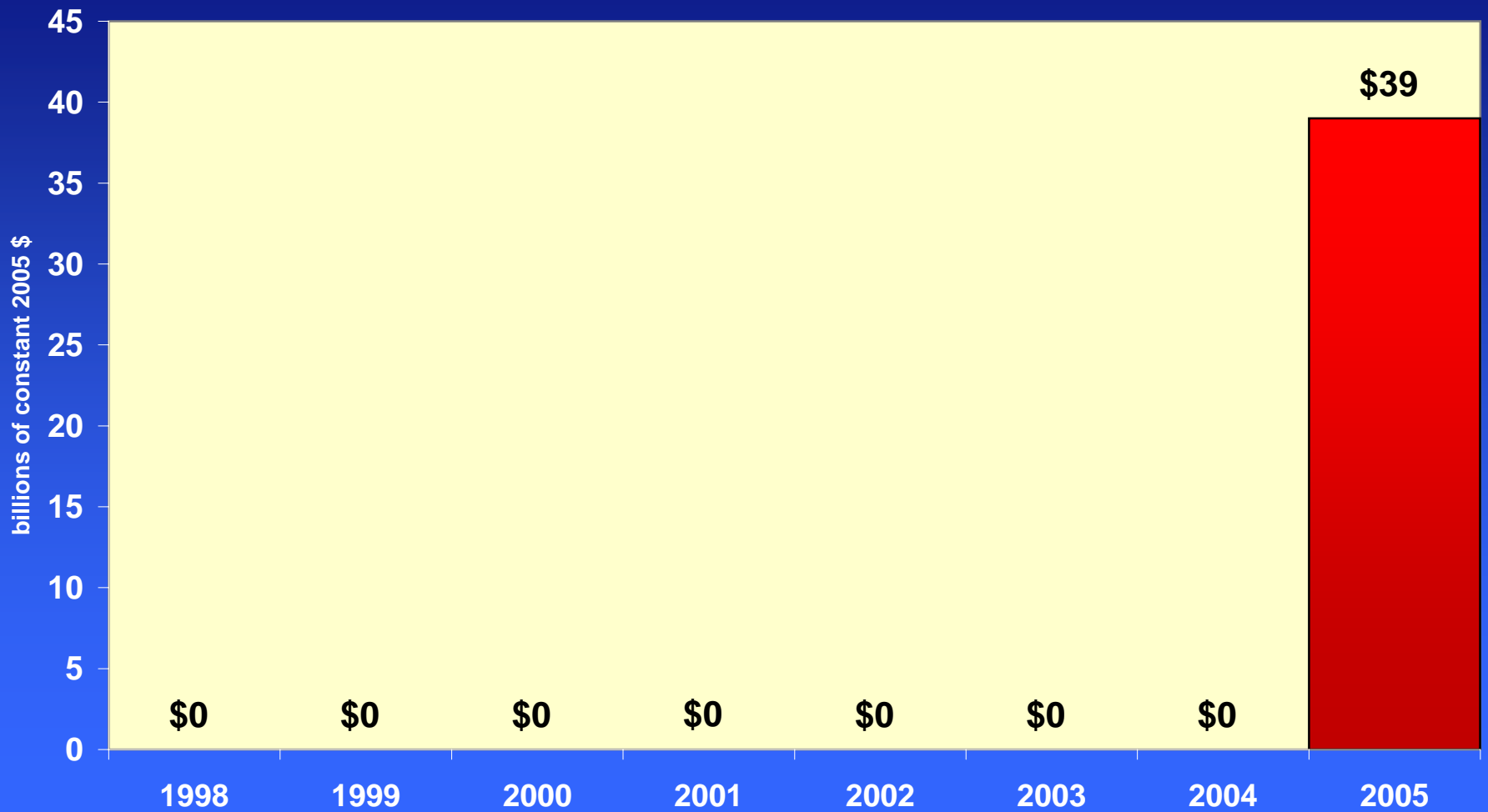
Total spending, assumes the CBO inflated baseline.

Mandatory Spending Grows Higher Than One Fourth of the Economy

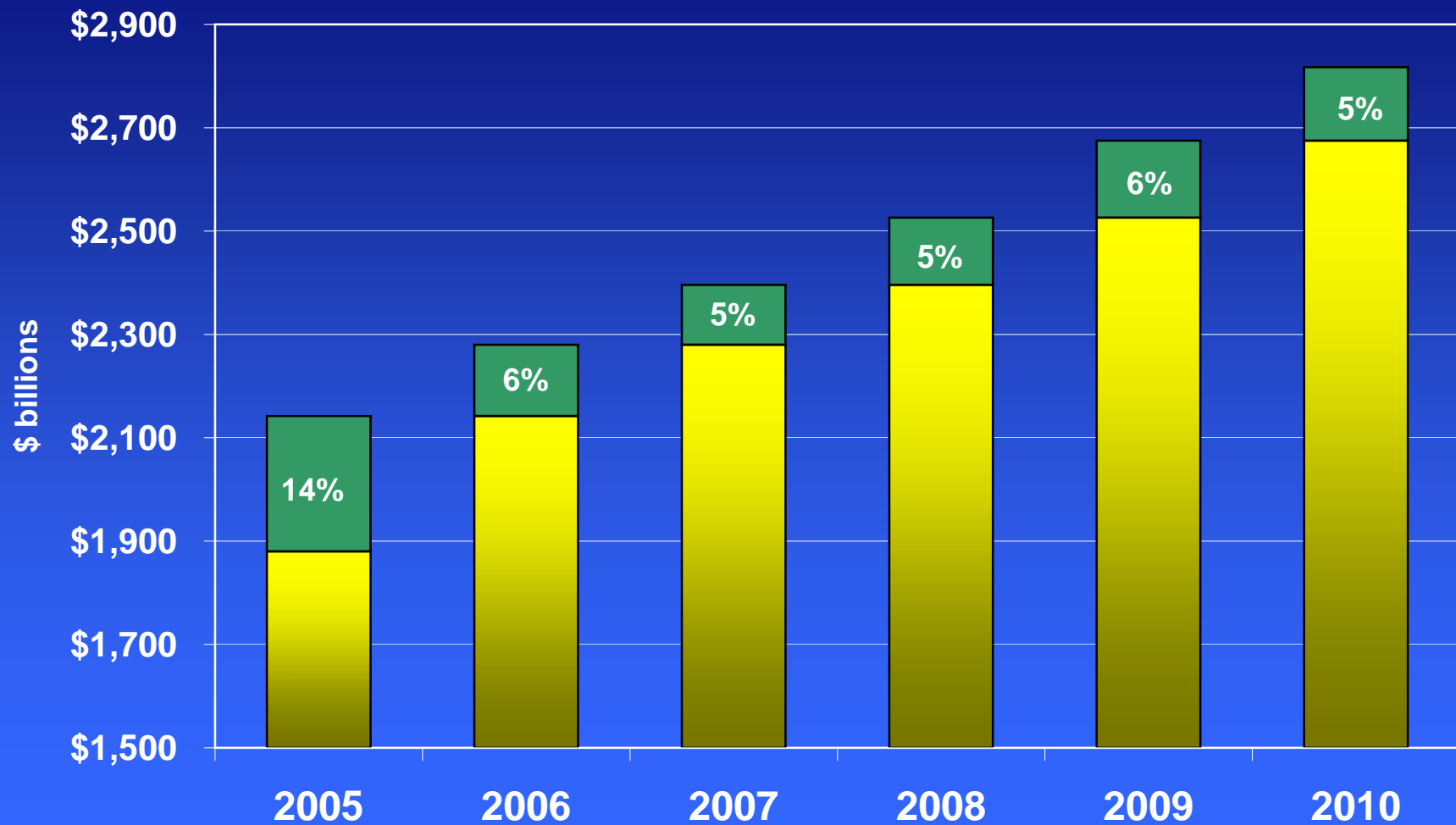


Source: CBO

SPENDING REFORMS ENACTED FOR DEFICIT REDUCTION SINCE 1998



Economic Growth Propels Revenues



Source: CBO

Tax Provisions Expiring Within the Budget Window (Partial list)

Provisions Expiring after 2005 (12-31-2005)

Relief from Individual Alternative Minimum Tax (AMT)

Research and Experimentation Tax Credit

Deduction for Teachers' Classroom Expenses

Deduction for Qualified Education Expenses

Deduction of State and Local Sales Taxes

Welfare-to-Work Tax Credit

Work Opportunity Tax Credit

D.C. First Time Homebuyer Credit

Provisions Expiring after 2006 (12-31-2006)

Saver's Credit

Provisions Expiring after 2007 (12-31-2007)

\$100,000 deduction for small business (section 179) expensing